



IOWA GENERAL ASSEMBLY
LEGISLATIVE SERVICES AGENCY

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MEMORANDUM

DIVISIONS

LEGAL SERVICES
RICHARD L. JOHNSON

•

FISCAL SERVICES
HOLLY M. LYONS

•

COMPUTER SERVICES
GLEN P. DICKINSON

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ADMINISTRATIVE SERVICES
TIMOTHY C. FALLER

TO: Members of the Legislative Fiscal Committee
FROM: Dave Reynolds
DATE: May 10, 2005
RE: Department of Revenue Lease Purchase Notification

The Department of Revenue has submitted a lease purchase notification for the purchase of desktop computers to replace existing computers.

The total cost of the lease purchase agreement is \$177,400. This includes \$165,500 in principal and \$11,900 in interest at an estimated rate of 4.34%. The agreement will be for a period of three years. Annual payments will total approximately \$59,100 and will be paid from the Department's General Fund appropriation.

Information received from the Department pertaining to this lease purchase proposal is attached.

Please contact me if you have any questions.

FISCAL SERVICES

David L. Reynolds

Sr. Legislative Analyst
515.281.6934
Fax: 515.281.6625
dave.reynolds@legis.state.ia.us

LEASE-PURCHASE PRIOR NOTIFICATION

(FOR PURCHASES OF \$50,000 OR MORE)

For Reporting Requirements per Section 8.46, Code of IowaAgency Name:
Dept of RevenueBudget Unit/ Fund Name:
T01 Dept of RevenueBudget Unit/ Fund No.:
T01 Dept of Revenue**ACQUISITION INFORMATION**

Description of Acquisition:

PC and Monitor Replacement

HP Compaq dc5100 Microtower Computers	PM213AV	150	\$573.00	\$85,950.00
Xp Pro, P4 2.8GHZ, 512MB, floppy drive, 40GB, 16x/40X DVDROM, PS/2 scroll mouse, Std KB PS/2, 3yr. parts, labor, onsite NBD warranty				
HP L1940 Display Monitor-	PF803AA#ABA	220	\$360.00	\$79,200.00

Type of Acquisition

☐ New ☒ Replacement
☐ Continuation

Duration of Contract

(Mo/Yr) 36 months

Start: June 2005

End: June 2008

Contract Type:
Lease / PurchaseEstimated Useful Life:
3 years

Funding Sources

\$

Estimated Cost if Purchased Outright: \$165,500.00

General Fund

\$ 177,402.75

Federal

\$

Principal: \$165,500.00

Revolving Fund

\$

Road Use Tax

\$

Finance Charge: \$11,902.75

Other (Specify)

\$

Total

\$ 177,402.75

Interest Rate: 4.34

CASH FLOW

	FY __06__	FY __07__	FY __08__	FY _____	FY _____	Total Cost
Principal	\$52,803.20	\$55,132.42	\$57,564.39			
Interest	\$6,331.07	\$4,001.83	\$1,569.86			
Total	\$59,134.24	\$59,134.24	\$59,134.24			

JUSTIFICATION/CONSEQUENCES OF DELAY OR ABANDONMENT

This equipment is needed to replace outdated desktop PCs and monitors.

Contact Person:
Richard JacobsTitle:
PUBLIC SERVICE EXECUTIVEPhone Number:
515-281-3488
Date: 05-09-05